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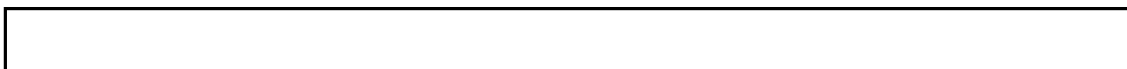
18 December 1958

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CENTRAL INTELLIGENCE BULLETIN



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CENTRAL INTELLIGENCE BULLETIN

18 December 1958

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DAILY BRIEF

I. THE COMMUNIST BLOC

OK
[redacted]
*USSR: Khrushchev's denunciation of the "anti-party" group in his 15 December agricultural report to the central committee, the strongest attack in recent months, is probably intended to insure support on the eve of the party congress by intimidating anyone tempted to question his policies. The nature of the attack suggests further action against the "anti-party group," possibly exclusion from the party or dismissal from present posts. [redacted]

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No
*USSR: Soviet First Deputy Premier Mikoyan, long the principal adviser in the Kremlin on foreign trade matters and probably one of Khrushchev's closest collaborators, has requested a visa to visit the United States. He plans to arrive early in January as a "guest" of the Soviet ambassador in Washington. Mikoyan's purpose in attempting to come to Washington as an "unofficial visitor" at this time--just prior to the party congress which opens in Moscow on 29 January--is probably to explore at first hand US views on the broad issues Khrushchev has attempted to connect with a settlement of the Berlin problem. [redacted]

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OK
Communist China: Peiping's official communiqué on Mao's decision to give up his largely ceremonial post as head of the Chinese Communist government is a vote of confidence in his leadership and intended to refute allegations that he is losing power. The communiqué implies that he will continue to dominate the regime and strongly endorses both the commune program and the economic "leap forward." It calls for further remarkable production increases next year. [redacted]

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Watch Committee conclusion--Berlin: There is no assurance that the USSR will wait for the full six months' period mentioned in the Soviet note of 27 November before transferring to the East Germans control over Allied traffic to Berlin or undertaking harassment of some other sort. Current Soviet efforts in the Berlin situation appear directed primarily toward forcing counterproposals and negotiations with the West.

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No
Watch Committee conclusion--Taiwan Strait: The Chinese Communists do not appear to intend, in the immediate future, to terminate the self-imposed restriction against interference with resupply of the offshore islands on alternate days.

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II. ASIA-AFRICA

No
Watch Committee conclusion--Middle East: A deliberate initiation of large-scale hostilities in the Middle East is unlikely in the immediate future, although the situation remains unstable throughout the area. Increased Communist activity in Iraq has kept the situation precarious. While the recently planned coup was thwarted, the possibility exists that pro-UAR groups or army elements acting independently may at any time attempt to overthrow or modify the regime. The Israeli-Syrian border situation continues to be tense, and Israeli retaliatory raids into Syria will probably occur if there are additional serious border incidents.

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Iraq: Prime Minister Qasim appeared tense during his interview with Assistant Secretary Rountree on 16 December, and harped on the theme that "many Iraqis" believe the United States is conspiring against his regime. Although he reiterated his desire for friendship with the United States "as with all other countries," Qasim gave no indication he intends to make any specific move to improve relations with the West.

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OK

Lebanon: Strong army action last week against former rebel elements in the Biqa Valley, following the killing of an army officer and two men, is likely to arouse a storm of Sunni Moslem criticism against the government, which tried unsuccessfully to suppress news of the action. Karami, who is Defense Minister as well as Prime Minister, may attempt to shift the blame to Minister of Interior Edde and President Shihab, and Sunni attacks could lead to severe dissension with in the cabinet. [REDACTED]

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NO

South Korea: The Rhee administration seems determined to enact laws which could drastically reduce South Korea's already limited political liberties. Despite the unfavorable impact the measures would have externally, Rhee apparently is convinced that the opposition must be muzzled to prevent it from winning the 1960 presidential election. [REDACTED]
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III. THE WEST

OK

West Berlin: Mayor Willy Brandt continues to oppose Moscow's proposals on Berlin. However, he has again publicly raised the possibility of including both East and West Berlin in a "free city." While opposing this idea as "economically not viable," he said that he would view it in "a different

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DAILY BRIEF

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light" if Moscow agreed to the creation of an extraterritorial corridor between Berlin and West Germany. East Germany, however, has already rejected such a corridor. He also states he would accept a UN supervised plebiscite in all of Berlin to determine the city's status. [REDACTED]

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I. THE COMMUNIST BLOC

Khrushchev Attacks "Anti-Party Group"

Khrushchev's condemnation of the "anti-party group" in his 15 December agricultural report to the central committee is the strongest attack on the group since the initial reaction in July 1957. The American Embassy in Moscow doubts that Khrushchev is facing actual opposition, but considers it likely that his programs have antagonized a number of highly placed individuals. His denunciation of the anti-party group could be intended to intimidate such opponents.

Khrushchev accuses the "despicable" anti-party group of having manifested a wrong attitude toward the peasantry and of opposing nearly every major agricultural policy sponsored by him since Stalin died. He charges Molotov and Malenkov, specifically, with mistakes and dishonest juggling of figures during the Stalin era.

The nature of the attack on the anti-party group suggests the possibility of further action against them. Khrushchev's statement that "The tongue refuses to call such people 'comrades,' even though they have remained members of the party" could be an invitation to the central committee to oust them from the party. They might also be dismissed from their present posts. The Embassy doubts that Khrushchev will go so far as a purge trial unless his situation is actually precarious; all present evidence indicates he is firmly in control. [REDACTED]

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[REDACTED]
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COMMUNIST CHINA
PRODUCTION CLAIMS AND TARGETS
(MILLION METRIC TONS)

	1957	1958	1959
STEEL	5.35	11	18
COAL	130	270	380
GRAIN	185	375	525
COTTON	1.64	3.35	5

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Peiping Communiqué on Central Committee Plenum

The communiqué issued by Peiping on 17 December on the work of the recent central committee plenum at Wuhan formalizes Mao Tse-tung's decision to step down as chairman of the government and appears designed to refute Chinese Nationalist allegations that he is losing power.

The communiqué noted that the decision will not affect Mao's "continued leading role in the work of the state," and pointed out that Mao can be re-elected chairman of the government if some "special situation" should arise.

The session gave a resounding vote of confidence to Mao on two policies closely associated with him--the communes and the "giant leap forward"--over which there have been hints of opposition. It placed a "very high evaluation" on the communes and gave local party units until next April to consolidate them.

The session gave its stamp of approval to the high production claims advanced in connection with the 1958 "giant leap"--claims which at least in the agricultural field are seldom credited outside the bloc. Even greater triumphs are now being promised for 1959, with the session urging the nation to "go all out, aim high, and defy difficulties." Production increases in certain commodities scheduled by the session, while only about half as great as those claimed this year, are still highly ambitious.

The Taiwan situation was played down, with no mention of the offshore islands, and only a generalized prophecy that US forces will be driven from Taiwan "eventually" when Communists and Nationalists "unite."

[REDACTED]

[REDACTED]

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[REDACTED]
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Moslem Feuding May Cause Lebanese Cabinet Crisis

The Lebanese Army's strong action last week end against former rebel Sunni Moslem villagers in the Biqa Valley is likely to arouse a storm of Sunni Moslem criticism against the government. Sunni Moslems killed an army officer seeking to end a fight between Sunni and Shia Moslem villagers. The army in reprisal destroyed the Sunni village, causing a large number of Sunni casualties.

News of the attack, which the army tried to keep out of the press, stirred violent popular reaction in the Basta quarter of Beirut, and large-scale demonstrations on 15 December were averted only by pressure from higher Moslem leaders.

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[REDACTED]

Apparently, the army action was taken without the knowledge of Sunni Moslem Prime Minister and Minister of Defense Karami, but with the approval of President Shihab. This action has already resulted in an attack on the government by former rebel leader Abdullah Yafi and adverse press comment. Karami may attempt to shift the blame to the Christian minister of interior, Raymond Edde, which could cause serious dissension in the cabinet.

The army action was sterner than any taken during the civil war last summer. The fact that Aarsal, the village attacked, was a stronghold of former rebel sympathizers adds to the politicians' difficulty. The surviving inhabitants are said to have fled to Syria.

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President Rhee Moves To Suppress Opposition

The South Korean Government is engaged in a major struggle with the opposition Democratic party in the National Assembly to force passage of revisions of the national security law and the local autonomy law. These government-inspired measures appear to be designed to silence growing political opposition by abridging the already limited civil liberties and press freedom in order to prevent an administration defeat in the 1960 presidential election.

The Democrats and a wide segment of the press are critical of the loose definition of espionage in the revised version of the security law and object to the provision for penalizing anyone who has "benefited the enemy" by spreading "false facts or distorted news." This latter proviso would permit stringent press controls. Proponents of the measure claim that its enactment is necessary to combat Communist activities and maintain domestic order.

The planned revision of the local autonomy law would provide for governmental appointment rather than election of local executives in towns and cities. The Democrats have been engaged in a well-organized campaign to win control of the cities.

Rising opposition at home and fear of losing American support may induce the government to tone down the most offensive parts of the proposed bills before pushing them through the assembly. However, in an effort to muffle opposition, the government already has suspended some rights of public assembly in Seoul and has organized an anti-Communist Fighting Committee to drum up local support for the revisions.

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[REDACTED]
[REDACTED]
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III. THE WEST

West Berlin Mayor Raises Question of a Free City For All of Berlin

West Berlin's Mayor Willy Brandt has again publicly raised the possibility of including all of Berlin in a "free city." In an interview with a West German paper, Brandt said that while he opposed this idea as economically not viable, he would view it in a "different light" if Moscow would agree to the creation of an extraterritorial corridor between Berlin and West Germany. In the same interview he said that a UN-supervised plebiscite in all parts of Berlin would be an acceptable way of determining the city's status. Brandt repeated the idea of a plebiscite to French reporters on 15 December.

In an interview with a Munich paper on 5 December, Brandt commented that the possibility of making all Berlin a "free city" might be acceptable "in principle" in case of an "emergency" situation. He followed up this interview with a suggestion for a Berlin corridor in statements to a Danish paper on 9 December. Neither of the original interviews provoked much public reaction in West Germany.

Since Brandt and Adenauer still differ to some extent over whether to seek broad negotiations on Germany, Brandt may be seeking to elicit a new proposal from Moscow to include East Berlin in the free city, which could then be used as the basis for high-level East-West talks on Berlin and linked to the entire German question. His references to a corridor and plebiscite, however, suggest that he may also hope to draw a Soviet rejection which could be used to put the USSR on the defensive.

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[REDACTED]
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The Vice President

Executive Offices of the White House

Special Assistant for National Security Affairs

Scientific Adviser to the President

Director of the Budget

Office of Defense and Civilian Mobilization

Special Assistant for Security Operations Coordination

Board of Consultants on Foreign Intelligence Activities

Special Assistant for Foreign Economic Policy

Special Adviser to the President

The Treasury Department

The Secretary of the Treasury

The Department of State

The Secretary of State

The Under Secretary of State

The Under Secretary of State for Economic Affairs

The Deputy Under Secretary for Political Affairs

The Deputy Under Secretary for Administration

The Counselor

Director, International Cooperation Administration

The Director of Intelligence and Research

The Department of Defense

The Secretary of Defense

The Deputy Secretary of Defense

The Secretary of the Army

The Secretary of the Navy

The Secretary of the Air Force

The Chairman, The Joint Chiefs of Staff

Commandant, United States Marine Corps

The Director, The Joint Staff

Chief of Staff, United States Army

Chief of Naval Operations, United States Navy

Chief of Staff, United States Air Force

Assistant to Secretary of Defense for Special Operations

Director for Intelligence, The Joint Staff

Assistant Chief of Staff for Intelligence, Department of the Army

Director of Naval Intelligence, Department of the Navy

Assistant Chief of Staff, Intelligence, Department of the Air Force

Supreme Allied Commander, Europe

Commander in Chief, Pacific

The Department of the Interior

The Secretary of the Interior

Federal Bureau of Investigation

The Director

Atomic Energy Commission

The Chairman

National Security Agency

The Director

National Indications Center

The Director

United States Information Agency

The Director

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